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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)
)
Advanced Television Systems) MM Docket No. 87-268
and Their Impact upon the)
Existing Television Broadcast)
Service)

**COMMENTS OF GWENDOLYN A. CHRISTOPHER,
OWNER OF MOORE BROADCASTING SERVICE, INC.¹**

**I. OBSTACLES THAT DETER THE FORMATION AND EXPANSION OF SMALL
TELECOMMUNICATIONS BUSINESSES, SPECIFICALLY IN THE LOW POWER
TELEVISION INDUSTRY.**

Inherent with the current Advanced Television "ATV" conversion proposal comes a major regulatory hurdle for the low power television industry. The impact of the proposed conversion goes above and beyond a mere obstacle to deter formation and expansion, it effectively eliminates the opportunity to form and expand any viable business in the low power industry by eliminating more than 45% of LPTV stations across the country. There are 256 minority owned community television licenses and permits. Of the 256 minority owned licenses, 48 are owned by African Americans. African American LPTV owners provide service to approximately 7 million households, which include many major innercities.

¹Gwendolyn A. Christopher, owner of Moore Broadcasting Service, Inc., owns a network of low power television stations either operating or under construction in the region stretching from Detroit to Cleveland. Her business is also to advocate for the continued viability of community based broadcasting.

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Presently, community based broadcasters are asking the FCC to take a second look at the draft ATV allotment table and find a way for all stations to benefit from Advance Television. If LPTV stations are allowed to survive, we will be able to increase our service to 40-50 miles on an average, with no increase in our current peak transmitter power; provide additional services related to the main video feed, such as interactive TV; there would be less interference between existing stations than the present analog system, and we could fit more channels in the same area, dramatically improving spectrum efficiency.

If the LPTV industry loses 45% of its stations it naturally follows that the FCC's stated purpose, to provide specialized services to predominantly minority communities that were being underserved, is now being ignored. If the importance of LPTV is set aside, many people will be adversely effected. First and foremost, the millions of faithful viewers whom the FCC felt were being underserved. Second, thousands of employee of LPTV. Third, the numerous small business station owners who no longer have a license through no fault of their own, but still have to pay on the loans used to construct their stations. Moreover, African Americans are hit the hardest because our community stations are concentrated in major markets where there is little spectrum available.

II. PRACTICAL IMPACT OF TRANSITION TO ATV ON SECTION 257'S GOAL OF FAVORING DIVERSITY.

With the promulgation of the Communications Act of 1934 came the FCC's goal to establish broadcast station ownership patterns that represent the views of the public at large and as a result, diversify program content. Throughout the implementation of diversity policies for television broadcast service, the FCC stood fast to the proposition that diversification better serves the needs of the public.

With this principle in mind, and despite the growth in ownership in the LPTV industry, the FCC now seeks to exclude low power broadcasters from transitioning to ATV. The FCC has adhered to the premise that the broader public interest is best served by limiting initial channel allocation to existing eligible broadcasters. It is our contention that the 1800 plus licensed LPTV broadcasters are inextricably linked in that category. To conclude that the LPTV entrepreneurs are not is a slap in the face. Low Power Television is fundamentally the equivalent of full power television. Furthermore, in looking at the "broader public interest" the FCC should focus more attention on the voices of minorities whose views have clearly not been considered in FCC decision making. Are minorities not a significant part of the public at large? If their voices were heard, they surely would not advocate for the elimination of 75% of minority television licenses due to the new table allocations: the stations which cater to their specific needs.

Moreover, it is consistent with the enumerated rights of the Constitution that any technical standards used to develop an allotment table should be readily, but more importantly, equally available to ALL broadcasters and the diverse audiences they serve.

On a final note, the impact that the transition to ATV seems to have on diversity is that there will be significantly less diversified programming resulting from the dramatic plunge in diversity of ownership. Thus, rendering Section 257's goal of diversity essentially void.

III. IMPEDIMENTS TO "TRULY" SMALL BUSINESSES IN TELECOMMUNICATIONS.

Section 257 embodies Congress' intent to facilitate opportunities for small businesses in telecommunications and suggests that competition should be increased by diversifying ownership. Nonetheless, there seems to be a contradiction when this Section is applied to the low power television industry. As stated in an article in Community Television Business², low power stations fulfill all of the criteria for small businesses and all of the goals that the U.S. government wants to achieve:

1. They are independently owned and operated, and the majority were financed with equity investment by owners themselves.

²Volume 3, No. 17, Pg. 1 Sept. 9, 1996

2. They are not dominant in the marketplace in either video services or television broadcasting.

3. Annual receipts rarely, if ever, exceed \$10.5 million at any station.

4. They increase the voice of media voices in the nation by serving small communities with no other local TV service and by serving niche, minority, or other specialized audiences in large markets.

5. They create new jobs, especially entry-level jobs where new careers can begin.

6. Lack of bank or other institutional financing has limited their size-thus making them true small businesses.

IV. CONTRIBUTIONS TO THE AIRWAYS

In 1996, LPTV stations are big-four network affiliates, or UPN or WBN affiliates. They broadcast independent formats, foreign language formats, interactive music boxes, home shopping outlets; they can be small non-commercial stations and religious or family-oriented formatted stations. Unlike its full power counterpart, a significant percentage of LPTV industry is owned and operated by Native Americans, Asians, Hispanics and Blacks. Why should the Commission destroy most of this service, particularly when such destruction is unnecessary?

The LPTV industry has been built from the personal savings of its owners with of sweat equity. Unlike the full power television industry where up to 90% of the construction or purchase costs of the typical station is either passive investor

money or loans, the LPTV industry lacked access to outside capital and was built almost 100% with owner equity. These small companies accepted the risk of being displaced by full power stations, put their blood, sweat and tears into the investment of their personal funds and turned their LPTV applications into viable broadcast stations. How is that any less commendable than what full power licensees did by buying their licenses with someone else's money?

These small businesses provided television advertisement opportunities for merchants too small or too local to pay for full power television ads. They built formats that provide services to towns or viewer groups that were too small to be targeted by full power stations. How is this LPTV free over-the-air programming less valuable, less deserving of preservation than the pass-through of big four network feeds by full power stations? All 1,800 LPTV stations were built without any Government subsidy and a FCC Mass Media Bureau that vacillated between benign, neglect and outright hostility. It is not fair for the Commission to ignore and/or purposefully destroy this half of the television broadcast stations because they are newer, smaller, Blacker or licensed as secondary.

Therefore the advent of the ousting of low power television in the transition to ATV should be carefully reconsidered. The FCC should refocus its "small business" attention from trying to facilitate new billion dollar bidding for spectrum to assisting the currently existing truly small business so that they are not

eradicated. Instead of impeding the growing LPTV industry's progress by blocking proposals to improve LPTV facilities³, the FCC should recognize the goals that they have repeatedly stated, and that have been acknowledged by Congress.

In essence, the Commission is proposing to destroy hundreds of new, vibrant, growing, innovative small businesses that may employ thousands of people. The Commission is getting ready to shove 7/8ths of the minority TV broadcasters out of the telecommunications industry. And all of this terrible destruction is unnecessary. The extra FCC staff time and resources could be used more efficiently to explore a better, more fair, equitable and honest resolution. It is the only just thing to do.

Respectfully Submitted,


Gwendolyn A. Christopher

Dated: November 20, 1996

³From 1994-1996, some 10 proposals to improve LPTV facilities were blocked preventing stations from remedying coverage defects, and in many cases, prevented new stations from being built at all. *Community Television Business*, Vol. 3 No. 17 Pg. 8. Sept. 9, 1996.